prices of certain commodities are a result of both supply side and demand side factors.

(b) High GDP growth rate does not necessarily accompany a high rate of inflation.

(c) Government has taken various measures to control inflation. These include reducation in prices of petrol and diesel, allowing import of wheat and pulses at zero duty rates, banning export of pulses and wheat, reduction of import duty on palm group of oils and several other commodities, ban on futures trading of some pulses and stringent regulatory measures for forward trading in various other commodities. Government is also monitoring the price situation on a regular basis.

Increase in rate of interest on home loans

174. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that he has advised Public Sector Banks not to raise the rate of interest on home loans;

(b) if so, the details thereof and the reasons therefor;

(c) whether it is also a fact that while the rate of interest on saving accounts is less than the rate of inflation, the rate of interest on loans has been increased giving unintended benefits to banks; and

(d) if so, the reasons for not raising the rate of interest on saving accounts?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Yes, Sir. It was desired that Public Sector Banks may rein in interest rates on home loan at the current level as further increase by banks may not be necessary, provided, banks are in a position to address the rebalancing of their credit portfolio.

(c) and (d) The information is being collected and will be laid on the Table of the House to the extent available.